Amendments to the Claims:

The following listing of claims will replace all prior versions, and listings, of claims in the application:

1. (Currently Amended) A rare earth-transition metal (RE-TM) alloy structure comprising a RE-TM alloy substrate and a diffusion barrier disposed thereon,

wherein the diffusion barrier comprises a single layer coating comprising a phosphate bonded ceramic;

the phosphate bonded ceramic is the reaction product of a ceramic forming metal oxide and a phosphate source;

~~wherein~~ the rare earth is samarium; and

the ceramic coating is in contact with the alloy substrate on one side of the ceramic coating, the opposite side of the ceramic coating being exposed to the exterior environment.

2. (Original) A structure according to claim 1, wherein the RE-TM alloy is a Sm-Co-Cu-Fe-Zr magnetic alloy.

3. (Previously Presented) A structure according to claim 1, wherein the phosphate bonded ceramic diffusion layer is formed by a method which comprises applying to the alloy substrate a coating comprising a source of a ceramic-forming metal oxide and a source of a phosphate binder for the metal oxide, and causing the metal oxide and the phosphate to cure to form a diffusion barrier comprising a phosphate bonded ceramic on the alloy substrate.

4. (Canceled)

5. (Previously Presented) A structure according to claim 1, which is a permanent magnet article.

6. (Original) A permanent magnet article of claim 5 which is an aerospace component..

7. (Withdrawn-Currently Amended) A method of forming a single layer diffusion barrier on a rare earth-transition metal (RE-TM) alloy substrate, the method comprising:

-applying to the alloy substrate a coating comprising a source of a ceramic-forming metal oxide and a source of a phosphate binder for the metal oxide; and

causing the metal oxide and the phosphate to cure to form a diffusion barrier comprising a phosphate bonded ceramic on the alloy substrate;

wherein the diffusion barrier is in contact with the alloy substrate on one side of the ceramic coating, the opposite side of the diffusion barrier being exposed to the exterior environment; and

the rare earth transition metal is samarium.

8. (Withdrawn) A method according to Claim 7, wherein the coating is applied in one step.

9. (Withdrawn) A method according to Claim 7, wherein the coating is applied as an acidic aqueous medium comprising the oxide source and the phosphate source.

10. (Withdrawn) A method according to Claim 7, wherein the oxide source is selected from oxides and hydroxides of magnesium, aluminium, iron, chromium, sodium, zirconium and calcium, and any mixture or chemical or physical combination thereof.

11. (Withdrawn) A method according to Claim 10, wherein the oxide source is selected from magnesium oxide, chromium oxide and mixtures thereof.

12. (Withdrawn) A method according to Claim 7, wherein the phosphate source is selected from phosphoric acid and phosphates of potassium, aluminium, ammonium, beryllium, calcium, iron, lanthanum, lithium, magnesium, magnesium-sodium, magnesium-potassium, sodium, yttrium, zinc, zirconium, and any mixture or chemical or physical combination thereof.

13. (Withdrawn) A method according to Claim 7, wherein curing of the coating is initiated by heating the coating.

14. (Withdrawn-Currently Amended) A method of reducing rare earth metal depletion at the surface of a RE-TM permanent magnet, which method comprises:

providing over the surface a single layer diffusion barrier composed of a phosphate bonded ceramic; wherein

the phosphate bonded ceramic is the reaction product of a ceramic forming metal oxide and a phosphate source;

the diffusion barrier is in contact with the surface on one side of the ceramic coating, the opposite side of the diffusion barrier being exposed to the exterior environment; and

the rare earth transition metal is samarium.

15. (Canceled)